



# Seller Guide Update



SEL-2020-090: Multiple Topics

November 13, 2020

- Correspondent Lending
- Housing Finance Agency (HFA)

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## Summary



The following items have recently been updated in the U.S. Bank Correspondent Seller and HFA Division Lending Guides, specific to Loan Delivery, Underwriting and Credit Policy.

### U.S. Bank Correspondent Seller and HFA Division Lending Guides

Unless notated within each section as Correspondent only policy or based on product availability such as Portfolio products available only in Correspondent, these updates are applicable to both our Correspondent and HFA lenders. The respective sections of the U.S. Bank Correspondent Seller and HFA Division Lending Guides are included in each section. This communication serves to announce changes and updates including an effective date. Always review the U.S. Bank Correspondent Seller and HFA Division Lending Guides for the most current policy. Guidelines are updated with the information in this communication and should be referred to instead of the communication for guidance.

## Underwriting, Delivery, and Product Grids

For overall ease of use, we have enhanced our communications to now include underwriting and delivery method checkboxes to each section when applicable. You'll also find a new grid that outlines the applicable products.

## Effective Date

Immediately unless otherwise noted within each section below.

## Keeping you informed

U.S. Bank continues to closely monitor the ever-changing landscape of our business as a result of the impacts of the coronavirus (COVID-19).

For information about our ongoing work to support our lending partners and customers, we invite you to visit our Correspondent/HFA COVID-19 Resource Page within AllRegs for regular updates and the most current information. We know you have many questions and we are diligently working to address each of them. We have developed a list of [COVID-19 Frequently Asked Questions](#) and will continue to update this document on a regular basis to keep you informed of process and policy updates.

For additional information about our ongoing work to support customers, we invite you to visit [U.S. Bank's COVID-19 support site](#) for regular updates and the most current information.



## COVID-19 Requirements and Flexibilities Update

Underwriting/Delivery	
<input checked="" type="checkbox"/>	Corr. Delegated
<input checked="" type="checkbox"/>	Corr. Non-Delegated
<input checked="" type="checkbox"/>	Corr. EZD
<input checked="" type="checkbox"/>	Corr. Mandatory
<input checked="" type="checkbox"/>	HFA Delegated
<input checked="" type="checkbox"/>	HFA Non-Delegated
Products	
<input checked="" type="checkbox"/>	Conv. (Freddie)
<input checked="" type="checkbox"/>	Conv. (Fannie)
<input checked="" type="checkbox"/>	Conv. (Portfolio)
<input checked="" type="checkbox"/>	FHA
<input checked="" type="checkbox"/>	VA
<input checked="" type="checkbox"/>	Rural Development

Due to the current economic disruption and market uncertainty associated with the COVID-19 event, U.S. Bank will continue to update temporary guidelines with changes and clarifications as we align our communications with investor guidance.

**Forbearance Guidance:** There are varying purchase and refinance Investor eligibility requirements for new loans to borrowers who have/had any Mortgage under a CARES Act COVID-19 Forbearance Status. We recognize that these requirements, while initially intended to be temporary, will have an impact into 2021.

We have removed these requirements from our COVID-19 Temporary Guidance and placed them in our permanent Underwriting Guidelines where they will remain until such time that they are no longer applicable.

**Forbearance Grid:** Due to the varying and complexity of the requirements for each investor, we have created a grid that provides a summary of eligibility requirements/resolution methods for borrowers who have/had an existing loan in a CARES Act COVID-19 Forbearance. This grid is meant to be a tool and the Underwriting Guidelines with the complete eligibility requirements should be reviewed to ensure the correct guidance, documentation and seasoning requirements are met.

**Guide Updates:** 711.7.3 FHA - Eligibility Requirements for Borrowers with Forbearances, 711.7.4 Purchase and Refinance Eligibility Requirements for New Loans to Borrowers who have/had any Mortgage under CARES Act COVID-19 Forbearance Status, 712.9 VA - Credit/Debt Underwriting, 712.9.3 VA - Eligibility Requirements for Borrowers with CARES Act COVID-19 Forbearances, 712.9.4 Purchase and Refinance Eligibility Requirements for New Loans to Borrowers who have/had any Mortgage under CARES Act COVID-19 Forbearance Status, 713.9 Agency - Credit/Debt Underwriting, 713.9.3 Agency - Eligibility Requirements for Borrowers with CARES Act COVID-19 Forbearances, 713.9.4 Purchase and Refinance Eligibility Requirements for New Loans to Borrowers who have/had any Mortgage under CARES Act COVID-19 Forbearance Status, 714.1.5.4 Purchase and Refinance Eligibility Requirements for New Loans to Borrowers who have/had any Mortgage under CARES Act COVID-19 Forbearance Status, 715.7 RD - Credit/Debt Underwriting, 715.7.3 RD - Eligibility Requirements for Borrowers with CARES Act COVID-19 Forbearances, 715.7.4 Purchase and Refinance Eligibility Requirements for New Loans to Borrowers who have/had any Mortgage under CARES Act COVID-19 Forbearance Status

## Address Change: HFA Final Documents

Underwriting/Delivery	
<input type="checkbox"/>	Corr. Delegated
<input type="checkbox"/>	Corr. Non-Delegated
<input type="checkbox"/>	Corr. EZD
<input type="checkbox"/>	Corr. Mandatory
<input checked="" type="checkbox"/>	HFA Delegated
<input checked="" type="checkbox"/>	HFA Non-Delegated
Products	
<input checked="" type="checkbox"/>	Conv. (Freddie)
<input checked="" type="checkbox"/>	Conv. (Fannie)
<input checked="" type="checkbox"/>	Conv. (Portfolio)
<input checked="" type="checkbox"/>	FHA
<input checked="" type="checkbox"/>	VA
<input checked="" type="checkbox"/>	Rural Development

As a result of a facilities move, beginning today, November 13<sup>th</sup>, all HFA Final Documents should be delivered to the following address:

Current Address	New Address (beginning 11/13/20)
<p align="center"><b>U.S. Bank</b></p> <p align="center">Centralized Image Capture EP-MN-HMP1 7601 Penn Avenue South, Suite A1 Richfield, MN 55423</p>	<p align="center"><b>U.S. Bank</b></p> <p align="center">Attn: CIC HFA Final Docs EP-MN-X3CI 9380 Excelsior Blvd, 3<sup>rd</sup> Floor Hopkins, MN 55343</p>

**Note:** This change is for HFA only and does not impact Correspondent loans.

**Guide Updates:** U.S. Bank HFA Lending > 900: Delivery and Funding > M. Final Documentation

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## End of Cycle Coming Soon - Government ARM Change Dates

As a reminder, we are quickly approaching the end of a cycle to accept specific change dates for FHA/VA ARM loans as follows:

- **Last Day to Purchase** - Friday, November 20, 2020, will be the last day to purchase FHA/VA ARM loans with a January 1, 2026, change date.
- **Loans Purchased and Change Date Requirements** - Loans purchased after November 20, 2020, must have an April 1, 2026, change date.

This applies to all loans that are scheduled to be delivered or have been delivered.

**All loans with prior-to-funding conditions must be cleared on or before Wednesday, November 18, 2020.**

**Guide Update:** 1300: ARM Documents > Disclosures > [FHA/VA ARM Change Dates](#)

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## Questions



**Correspondent:** Please contact your Account Executive or the Client Support Area at 800.200.5881, option 1.

**HFA:** Please contact the Housing Finance Agency Hotline at 800.562.5165, option 1 for the HFA Customer Care Team.

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